



The 287th meeting of the Rhode Island Student Loan Authority was held on **Thursday, September 1, 2011** in the McKenna Conference Room, 560 Jefferson Boulevard, Warwick, Rhode Island.

Members in attendance:

Dr. Santoro
Dr. Croasdale
Mr. Howell
Ms. Doyle
Mr. Josh Brumberger, Designee of the General Treasurer

Members absent:

Dr. McKenna

Others in attendance:

Mr. Charles Kelley
Mr. Noel Simpson
Mr. Joseph Palumbo
Ms. Jennifer Dutch
Mr. Kevan McAleer
Mr. David DeBlois
Mr. Chad Pastorius
Ms. Lori Brighton
Ms. Kathy Sisson
Ms. Clordine Cox
Mrs. Gail Mance-Rios
Mr. Solomon Solomon

The meeting was called to order by Dr. Santoro at 9:33 a.m.

Upon a motion made by Dr. Croasdale and seconded by Ms. Doyle it was unanimously

VOTED: to accept and approve the minutes of the July 22, 2011 Board Meeting.

Chairman's Report

Dr. Santoro did not have a report.

Executive Director's Report

Mr. Kelley discussed the financial markets and the possibility that the federal government will have to increase interest rates.

Dr. Croasdale brought up an issue regarding the wording in RISLA ads.

College Planning Center Update

Mr. Kelley announced the retirement of the College Planning Center's director, David DeBlois. The Board thanked Mr. DeBlois Dave for all his hard work over the years and spoke of how greatly he will be missed. In his absence, Stacy Crooks, currently the associate director, will be filling in until a new director is chosen.

Mr. Kelley stated that the College Fair that will take place at the PawSox McCoy Stadium on September 20, 2011 from 6 – 8 PM and indicated that RISLA will coordinate with RIHEAA for Way to Go.

Action Item #7 Bond Authorizing Resolution

Mr. Kelley explained the elements of the proposed bond issue.

Ms. Doyle states that her brother works for Morgan Stanley and she is therefore recusing herself from any discussion or vote on the matter.

The board discussed and asked questions about the bond issue.

Upon a motion made by Mr. Howell and seconded by Mr. Brumberger, it was unanimously

VOTED: to accept and approve the authorizing resolution.

Action Item #8 Bond Refinancing Budget

Mr. Kelley stated that the budget for the bond refinancing is not to exceed \$248,240 based on a \$25 million dollar deal.

Again, Ms. Doyle recused herself from any discussion or vote related to the bond refinancing.

Upon a motion made by Dr. Croasdale and seconded by Mr. Howell it was unanimously

VOTED: to accept and approve the bond refinancing budget.

Direct Loan Servicing

Mr. Kelley informed the board that RISLA has been seeking information on servicing federal direct loans, and creating an opportunity for RIHEAA to participate in the servicing. RFPs have been issued for servicing software and data security. Mr. Kelley stated that there will be significant upfront costs and

that the expected amount of borrower accounts to be serviced is 100,000. Mr. Simpson noted that the Department of Education is accepting proposals.

RIFEL income sensitive refinancing options

Mr. Kelley discussed possible refinancing RIFEL loans with income sensitive terms for individuals who are having a hard time paying their loans. It would be done on a case by case basis.

Mr. Brumberget asked how many cases were pending and if there would be advertising or if colleges would be made aware.

Dr. Croasdale suggested that a committee of board members review the cases before decisions are rendered. Dr. Santoro stated that he does not want to look at each case. No vote was taken.

Action Item #11 authorization for the establishment of new repayment options

Upon a motion made by Dr. Croasdale and seconded by Ms. Doyle it was unanimously

VOTED: to authorize the establishment of new income sensitive repayment options on RIFEL loans.

Grant

The board discussed a grant received by RISLA in the amount of \$11,000 which will be used to purchase IPAD's for teachers.

Employee compensation

The board discussed a proposed 3% raise for employees. Dr. Croasdale expressed his opposition to the proposed raises.

The board discussed meeting again in September to approve the annual financials for RISLA. It was noted that a finance subcommittee meeting will take place on September 22nd at 9:00 a.m. to review the financials with the Authority's auditors and make a recommendation to the full board.

Upon a motion made by Dr. Croasdale and seconded by Mr. Howell it was unanimously

VOTED: to adjourn at 10:05 a.m.

John Howell, Secretary